GOVERNMENT OF INDIA
STATISTICS AND PROGRAMME IMPLEMENTATION
LOK SABHA

STARRED QUESTION NO:231
ANSWERED ON:05.08.2015
MPLAD Scheme
Kashyap Shri Virender

Will the Minister of STATISTICS AND PROGRAMME IMPLEMENTATION be pleased to state:

(a) the objectives of Member of Parliament Local Area Development Fund (MPLAD) Scheme and the guidelines issued for release and utilization of funds thereunder;

(b) the total funds incurred/spent for various development activities under the MPLAD Scheme for the eleventh and twelfth FYP period;

(c) the manner in which the various development activities under the scheme have benefitted the people especially rural people in the country; and

(d) the mechanism put in place for effective implementation of the scheme?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE FOR MINISTRY OF EXTERNAL AFFAIRS AND MINISTER OF STATE FOR MINISTRY OF OVERSEAS INDIAN AFFAIRS [GENERAL (Dr.) V.K. SINGH (Retd.)]

(a) to (d): A statement is laid on the table of the House.

Statement referred to in reply to parts (a) to (d) of Lok Sabha Starred Question No. 231 for answer on 05-08-2015.

Part (a): The essential objective of the Members of Parliament Local Area Development Scheme (MPLADS) is to enable Members of Parliament (MPs) to recommend works of developmental nature with emphasis on creation of durable community assets based on locally felt needs.
Every MP is entitled to recommend works amounting to rupees five crore (Rs. 5 crore) per financial year.

Implementation of the works in the field is undertaken by the District Authorities, in accordance with the State Government's technical, administrative and financial rules and in accordance with the Guidelines on MPLADS.

The Guidelines on MPLADS are available in the public domain, including on the official website of Ministry of Statistics and Programme Implementation (www.mospi.nic.in).
Para 4.3 of the Guidelines on Members of Parliament Local Area Development Scheme (MPLADS) lays down the conditions of release of MPLADS funds:

The first instalment of Rs. 2.5 crore at the time of constitution of the Lok Sabha or election of the Rajya Sabha Member is released in the beginning of the financial year.

In the remaining years, the first instalment is released in the beginning of the financial year subject to the condition that the second instalment of the previous year was released for the Member of Parliament concerned and also subject to furnishing of the provisional Utilization Certificate of the previous year covering at least 80% of the expenditure of the first instalment of the previous year.

The second instalment of the MPLADS funds is released subject to the fulfilment of the following eligibility criteria:-

(i) the unsanctioned balance amount available in the account of District Authority after taking into account the cost of all the works sanctioned is less than Rs. 1 crore;

(ii) the unspent balance of fund of the Member of Parliament concerned is less than Rs. 2.5 crore; and

(iii) Utilization Certificate and Audit Certificate of the immediately concluded financial year ending 31st March have been furnished by the District Authority.
The funds under the MPLADS are non-lapsable both at the end of the Union Government and at the end of the District, i.e. the unspent balances of a particular year are utilized in the subsequent year (s).
Part (b): During the 11th Five Year Plan period (01-04-2007 to 31-03-2012), the amount reported to have been spent / utilized by the District Authorities under the MPLADS was as below:

Rajya Sabha MPs: Rs. 2294.18 crore
Lok Sabha MPs: Rs. 5304.32 crore

In the current 12th Five Year Plan till now (01-04-2012 to 30-06-2015), the amount reported to have been spent / utilized by District Authorities under the MPLADS is as below:

Rajya Sabha MPs: Rs. 3122.20 crore
Lok Sabha MPs: Rs. 7740.90 crore

MP-wise release and utilisation details as furnished by the District Authorities are available on the official website of the Ministry of Statistics and Programme Implementation (www.mospi.nic.in).
Part (c): There is no stipulation in the Guidelines on MPLADS in respect of bifurcation of funds between rural and urban areas etc.

The benefits by the creation of durable community assets on the basis of locally felt needs are self-evident, which are difficult to quantify.

Part (d): Monitoring mechanisms, wherein the roles of the Central Government, State Governments, District Authorities and Implementing Agencies are laid down, have been prescribed in the Guidelines on MPLADS.

The Ministry of Statistics and Programme Implementation regularly reviews the implementation of the MPLADS through national-level review meetings with State Government / District officers and visits to States / Districts. The Ministry also undertakes third party physical monitoring of the MPLADS works in selected districts through independent agencies. In addition, the Comptroller and Auditor General (C & AG) of India conducted Performance Audit of the MPLADS for the period 2004-05 to 2008-09, and submitted its report in 2010-11.

Wherever / whenever violations of Guidelines or irregularities in implementation of the MPLAD Scheme come to notice in the Ministry, the concerned State Government / District Authority is requested to take appropriate action, including penal and departmental action and recovery of MPLADS funds with interest.

The Guidelines on MPLADS stipulate that all recommended eligible works should be sanctioned within 75 days from the date of receipt of the recommendation, after completing all formalities. The District Authority should, however, inform MPs regarding rejection, if any, within 45 days from the date of receipt of recommendations, with reasons thereof. The time-limit for completion of the works should generally not exceed one year (it is not feasible to prescribe precise time-frames for all the different types of works).

The Ministry continuously emphasises on the qualitative, rule-bound and speedy implementation of the works under the Scheme.

The Guidelines are modified from time to time in order to improve the design and implementation of the Scheme.

An integrated MPLADS website has been developed to monitor all critical aspects such as fund release; fund utilisation; implementation of works; etc. The website is hosted at URL: http://164.100.129.134/mplads .

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